atched to MAVA- 21646

MEMORANDU VIENNA

MICROFILMED MAY: 18.1965

DOG, MICRO, SEI

NO.: VSM/SLZ/1379

TO FROM

DATE:

SUBJECT : WASH 0066, 4 March 1949

Operational: Re VILLAI and GYORKFFY

: 8BG-717 and VSM/SLZ/1207 and 1258

1. Before contacting the VILLAX family, I studied the problem of selecting agents in Hungary and came to the conclusion that our future contacts would have to be picked from the strata of Hungarian society which was unlikely to become a general target of the Hungarian State Defense Department within the forseeable future. All civil servants taken over by the present regime, everyone who was active in politics outside the Communist party, all former Army officers, all priests, aristocrats, everyone dispossessed or being dispossessed by the present regime is likely to be a target of the State Defense Department and is being surveilled. Most of all, these elements are nowadays in no position to collect intelligence data of value, and if they are, their time is brief.

The strata in which the best potential agents could be found is the social strata of engineers, scientists, industrial or agricultural experts, whom the present regime can ill afford to discard and who are likely to keep their positions for at least a few years to come.

- 2. In December 1948 I met Suzanne GYOERFFY, whom I have known since 1945, and I asked her about her family's well being. She spoke to me about her brother Berna who had been recently promoted, about his trip to Sweden and about his future plans of escape, which he had indicated in his letter from Sweden to her sister Sara in the United States. Nothing was mentioned on my part to indicate operational interest in Berna GYOERFFY, and Suzanne GYOERFFY has not been contacted since this conversation.
- 3. Having met Barna GYOERFFY in Salaburg in 1945, in connection with war crime detection while serving with OSS, and having known him as a shy, unassuming, modest scientist who indicated even at that time his intense hatfied for Communism, I thought of him, after this conversation, as a man whose assistance would be valuable to us and whose services could probably be enlisted.
- 4. On 5 January 1949, before I contacted the VILLAX family, I indicated I in Vienna my convictions as described in para 1, and that, smong others, parms ofOFAFFY would be a good target for us. He requested that the basic biographical data be assembled on Barna GYOERFFY, and that I prepare plans

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6 June 1951

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5. The VILLAX family's presence in the Zone was brought to my attention by Mr. Frank TOTH of IEO in early December 1948. Because of other problems, I had no chance to contact them. On or about 8 January, however, I dispatched Grallatory to Werfen, where the VILLAX family still lives, with a message stating that I wished to speak with them at their earliest convenience, and that if they came to Salzburg, I should be contacted through the 430th CIC. Grallatory gave my cover name Roberts, and I met Ivan VILLAX a day or two later in Salzburg. The conversation and subsequent meeting with Edmund VILLAX resulted in SBC-717 and SBC-735.

6. Neither during the debriefing of the VILLAX family, nor during our subsequent contacts did I indicate to them that Barna GYOERFFY was known to me, or that I had operational interest in him.

To follow up SBG-717, I wrote VSM/SLZ/1207 in which I indicated what I knew of Barna GYOERFFY, and also of my intention to contact him through his sister Susanne. Since no affirmative answer came, Susanne GYOERFFY was not contacted, nor was his brother Barna.

7. After receiving VSM/FEB/677 from I I contacted the VILLAX family again and reported this in VSM/SLZ/1258 Ivan VILLAX suggested that Barna GYOERFFY be contacted and that his services be ehlisted in connection with this work. His father, Edmund VILLAX, also thought that Barna GYOERFFY was the proper man but remarked that the step-son of Barna, currently studying at the Kossuth Military Academy in Budapest, was unreliable and possibly a Communist. After some thought, the VILLAX's added that Barna's family life was unahppy and that he cared little for his step-son or his wife. In their judgement, Barna would know how to maintain his own security and would not be influenced by his family. Subsequently, I requested that Ivan and Edmund VILLAX prepare their plans to establish contact with Barna and submit these plans to me.

They indicated to me that they had people who were probably willing to serve as couriers, but to maintain a courier service to Salzburg would be costly and time-consuming. Therefore, it was suggested that I arrange for the messages to be taken over by one of my representatives in Vienna. I promised to provide them with a mail box in Vienna, which I did (see VSM/SLZ/1326). In order to see their way clear in regard to the courier system, they asked my permission to invite one of their friends from Burgenland to Merfen. Permission was given with the strict instructions that no one should learn about the real purpose of the courier system, and especially that there was more than personal interest involved on the part of the VILLAX family.

One SATLER (fnm) was asked to come to Werfen by Ivan VILLAX. SATLER could not be reached by mail, therefore another friend, Erno HEBERSTREIT, was invited and met Ivan and Edmind VILLAX on 3 March 1949.

Erno HEBERSTREIT, born at Magyarovar, Hungary, in 1927, received his grammar and high school education at the Catholic school maintained by the Piarist Friars at Magyarovar. He attended the Joseef Nador Polytechnicum as a student of mechanical engineering for two years up to the summer of 1948. Since HEBERSTHEIT's father was born in Burgenland, he opted for Austrian citizenship, and this was granted to him in August 1948. HERERSTREIT's family resides at Neusiedl am See, and Erno HEBERSTREIT is now continuing his studies at the Technische Hochschule in Vienna. In Vienna he lives at la, Esdersplats. Ivan and Edmind VILLAR have known Kring HEBERSTREIT since early childhood as a sober, quiet, intelligent individual who is anti-Communist by his upbringing but is, in general, apolitical. HERERSTREIT would be willing to undertake the direction of border crossing operations for the VILLAX family. As a student, he is free to travel between Vienna and his place of residence at Heusiedl am See on the Austro-Between vienna and his place of residence at settled as see of the services of other dependable men, if he so designs.

Sheatened throughout report.

9. VILLAX submitted, subsequent/to his conversation with

HEBERSTREIT, the following plan:

He would ask Barna GYORKFFY in a letter if he would be willing to supply VILLAX continuously with scientific information on activities in the field of biological warfare, and request that he confirm his willingness with an open picture post card by placing the date in the upper left-hand corner and mailing it to a letter drop in Salsburg or Vienna. The brief to Barna GYOERFFY would not bear any address and would be deposited by a courier in Hungary first, at a safe place of his own choice for a day or two. The courier, after reporting that the letter had been safely taken across the border, would report back receive the address of one Agoston LANG, a 29-year old agricultural engineer currently employed at the flour mill of Magyarovar, who has been a trusted friend of HEHERSTREIT for the last 15 years but is unknown to VILLAX. He

would then deposit the letter with LANG.

| Many | desce | 911 | Inflant of the courses | VILLAX would like to pick one same SZILAGYI, approximately 32 years of age, a former farmhand, employed until the end of World War II on the estate of Albrecht von Hapsburg and now working his own farm at Albrechtkazmer, which he received as a result of the Hungarian Land Reform after the war. SZILAGYI and his 26-year old brother (fnu), an electrician employed as line-man along a section of the Austro-Hungarian border, took the VILLAX family across the border when they escaped

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Rungary without accepting payment. The VILLAX family has known SZILAGYI previously only from sporadic contacts. SZILAGYI was recommended to them by one Agoston HALACS, who was SZILAGYI's superior for many years on the estate of Albrecht Hapsburg and who has known SZILAGYI as a loyal, simple farm hand, with no sympathy for the Communists.

simple farm hand, with no sympathy for the Communists.

C. HEBERSTREIT would first deposit the letters with one (Sister CERHARDA, a Catholic mmn, about 35 years of age who currently lives at the Convent) of Halttury on the Austro-Hungarian border. GERHARDA is Hungarian, and she, too, assisted the VILLAX family while they were en route to the U. S. Zone of Austria. VILLAX has no biographical data on Sister GERHARDA, but claims that she is was and would be willing to serve as a letter box. GERHARDA knows the SZILAGYI brothers from almost daily business contacts (the convent has a dairy farm), and also knows HEBERSTREIT by sight. She would contact one of the SZILAGYI brothers and request that the letters be taken across the border into Hungary. Once the letter is in Hungary, she would instruct SZILAGYI to take the letters to Agoston LANG at Magyarovar, Or Szapary Peter utca 2-d Company Bldg., ground floor, door to the right

d. Approximately a week later a brief would be dispatched in similar manner to one Miklos BAUMAN at Magyarovar, instructing him to pick up the letter deposited with LANG and carry it by hand to his brother Bela BAUMAN in Budapest.

1.61 1924 For Hungary Magyarovary

brother Pela BAUMAN is Budapest

Light for the pela beautiful in Budapest

Miklos BAUMAN is chemical engineer working

currently as a lecturer at the University of

Masyarovar Incompression 15-10-11

Magygrovar, Incsony neces 15 Mostette Arostotter Medicine in Medicine in Bold Balman has been studying hedicine in Abadagest for three years. He lives at Veress Palne utca 9/IV em. He, according to VILLAI, is a very conscientious and talented young man with iron nerves who leads a secluded life VILLAI to has known the Balman brothers since 1942. He has more in daily contact with them over a period of all the second of the second of

years and regards them as his best friends. He has discussed with them, while still in Hungary, and on a purely theoretical basis what could be done

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to rid Hungary of the Communist yoke, and both have declared their willingness to undertake work which might aid the common cause, in case they were convinced that their contribution would not be spent in vair.

Miklos RAUMAN is 25 years of age, and Bela is 23 years old. Their father was a district clerk (deceased). Their mother lives at Döbrökös, a village in Tolna department. Both are anti-Communist by upbringing, and Ivan VILLAX regards them both as serious and dependable.

At about the same time Bela RAUMAN will receive a letter sent through normal chennels in which reference will be made to Barna GYOERFFI by a nickname known to Bela. He will learn in this way that the brief is to handed over to Barna GYORFFI.

9. This devices, complicated and slow way is proposed for the following reasons: No one would trust a brief received through the normal postal channels, fearing that it had been censored and the addresses would be shadowed. Therefore, it is important that the recipient should receive his brief through a person whom he knows and trusts. In case the brief if intercepted before reaching Barna, no one could finger at him because none of the intermediaries knows who is the final addresses. VILLAX is the only one who knows all parties participating in the chain.

HEBERSTREIT knows VILLAX, Sister GERHARDA and the SZILAGYI brothers. GERHARDA knows the SZILAGYI brothers and HEBERSTREIT, but knows nothing of the latter's coutact with VILLAX.

The SZILAGYI brothers know Sister GERHARDA and Agoston LANG and, though they have known VILLAI, nothing will indicate that the VILLAI's are involved.

involved.

Hiklos BAUMAN knows Agostoy LANG and also knows VILLAX, but have will not know the current location of the latter. He also knows, of course his brother Bela.

Bela BAUMAN will know of his brother miklos and of Barna GYCERFF

Barna GYOERFFY will know Bela BAUMAN and VILLAX.

10. It is necessary, according to VILLAX, to break up the courier route into several small stretches so that no one should be forced to travel beyond the limits composing his normal and easily justifiable chores; otherwise, their travel would eventually arouse suspicion.

11. Each sebsequent letter would bear a sign to indicate its serial number in order to check upon whether each one has reached its destination. In case the letters are intercepted at Barna GYCERFFY's place, and he would be forced to go on with the game, he would have to indicate this in his reports to us by using a semi-colon after the salutation, instead of a comma, to alert us to the fact that he is controlled.

12. Re WASH 0066 -

Para 2 A - Personal and family histories to compléte data available could be obtained only by contacting Susanne or Barna GYOERFFY.

> The personal history of the VILLAX family has been forwarded in SBG-717.

Para 2 B - All details furnished in present memo.

Para 2 C - All details furnished in present memo.

Para 2 D - All details furnished in present memo.

Para 2 E - The French and Canadian governments have offered the VILLAX family job and resettlement. possibilities. They favor, however, the United States. GYOERFFF would probably prefer the U.S. too, but has not been contacted.

Para 2 F - No commitments beyond VSM/SLZ/1258.

Para 2 G - Details on communications between GYOERFFY and sisters not known, except that they use normal postal channels and that some sort of a code is used In letters.

Plan of VILLAX is given above.

1. Saint Work on MAVA 217

e. suit week on MAV- 127

3. Sent work as MATA-2826

4. Referents in MAVA-2475

5. Sant Wark on MAYA- 2473

6. Request for latter loss (not sent week)

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13. In addition to the information already furnished on Barna GYOERFFY, Ivan VILAX mentioned recently that he omitted stating that GYOERFFY was requested by the Hungarian Ministry of Agriculture in April 1948 to follow scientific developments in genetics and biochemistry in the satellite countries, to maintain liaison with scientists in these countries and to report periodically on new developments to the Ministry of Agriculture. The VILLAX's know that GYOERFFY has extensive contacts in the satellite countries, but so far could not establish contact in the USSR proper.